## Sales and Use Tax (Liquor Sales)

Are mixing ingredients purchased exclusively by a business for liquor by the drink tax exempt?

Vendors dispensing liquor, wine or beer by the drink, who purchase ingredients which they use in mixing the drink are not required to pay sales tax on the purchase of such ingredients. Per Regulation (39-)26-106.2(b).

This would also include soft drinks and carbonated water for the purpose of being used as a mixer for liquor by the drink, since they are resold as part of a drink that is being taxed.